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United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.

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June 5, 1946

JUN 13 1946

AGRICULTURE IN ACTION

U. S. DEPARTMENT OF AGRICULTURE

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester

A. W. Manchester
Director, Northeast Region

BONUS GRAIN TOTALS Total purchases of 114,776,138 bushels of grain under
114,700,000 BUSHELS the wheat and corn bonus purchase plans were reported
May 31 by the U. S. Department of Agriculture. The
wheat bonus plan, which closed May 25, accounted for 81,280,016 bushels, and
the corn bonus plan, terminated on May 11, brought in 33,496,122 bushels. If
records have not yet been returned to county offices for some wheat shipped by
producers directly to terminals -- the total for wheat may increase somewhat.

In the Northeast Region, New York reported 100,680 bushels delivered
to CCC on May 29 and Pennsylvania, 46,530 bushels.

Commodity Credit Corporation is being reimbursed for the full price of the grain,
including the bonus, by claimants receiving the grain.

Commenting on the results of the bonus plan, Secretary of Agriculture Anderson
said, "The whole country -- in fact the whole world -- can well be proud of the
great job our farmers have done this month in moving grain to market. While we
have doubts that we can now meet export goals, the wheat and corn farmers have
delivered under the emergency program, in addition to the grain exported earlier,
will give us the supplies to meet export commitments of 400 million bushels for
the marketing year which ends July 1.

"The big task now is to move this grain -- from local elevators to terminals
and ports, within the time limits. Already America has shipped 326 million
bushels of the 400 million promised." The Secretary added that our exports of
grain for the year will be at least 40 percent of the total food grain exports
of the world, representing about one-third of our total crop.

As a result of this greatest single movement of a commodity in world history,
this country will be temporarily short of bread and flour, and next year there
will be less pork, leaner beef, and fewer poultry and eggs. However, the
Secretary pointed out that "this will not result in hardship . . . at home there
are plenty of other foods available to make up any deficit."

* * *

---Even in wartime, we wasted 125 million pounds of food every day. Surveys by
USDA agricultural economists and by garbage analysts showed that we wasted from
20 to 30 percent of all the food we produced. Of this gigantic waste one-fourth
to one-third takes place in the home. This means that the average family throws
out 400 pounds of good edible food every year.

USDA TO LOAN
WHEAT TO MILLS

To enable mills to supply flour to areas where consumer bread supplies are short, in special hardship cases, mills will be able to borrow wheat from the Government.

According to an announcement by the Department of Agriculture, requests for Government wheat will be considered only in the case of mills having wheat and flour totaling less than one-half of the authorized grind for domestic distribution. The wheat will be supplied the mills through merchandisers, as authorized by field offices of the Grain Branch, PMA.

"Loans" of the wheat will be made from stocks purchased by the Government under the recently concluded bonus plan. These purchases, reported through May 25, amounted to 81,280,016 bushels, and later reports may increase the total.

Since the rail strike and local floods slowed up shipping schedules, some wheat may now be loaned to help meet domestic flour shortages without interfering with the wheat export program. Loaned wheat will be replaced before it is needed to meet future shipping schedules.

WORLD FOOD CONFERENCE To keep world famine at bay in the future, three main lines of action were taken at the conference called by the Food and Agriculture Organization of the United Nations, held in Washington May 20-27:

1. An International Emergency Food Council takes the place of the Combined Food Board.
2. An International Research and Information Service was established which will operate within FAO.
3. Specific recommendations were given the nations of the world on how to stretch 1946-47 food supplies and expand 1947-48 harvests.

The new International Emergency Food Council, which takes over the problems of the old Combined Food Board, already includes 20 countries. It may be expanded to take in 50 or more. It is expected that this Council will consider not only food shortages, but surplus problems.

The Research and Information Service will provide world-wide reports four times a year on food, agriculture, and fisheries. Its first report is due September 15. Where individual governments don't submit information, the Research service will make its own estimates of the situation.

Concerning the third main line of action at the Washington meeting, instructions on food supplies and harvests are expected to provide a blueprint for food regulations in most countries within a matter of days.

Recommendations include an increase of flour extraction rates to 85 percent; use of not less than 5 percent of supplements in wheat flour; continuing low levels in industrial uses of grain; and diversion of fats and oils from soap, paint, and the like, to food.

Besides the three major moves, the conference approved recommendations that the FAO prepare a report on a permanent World Food Action Agency, and that it cooperate with UNRRA in that agency's work of feeding and rehabilitating peoples in shortage areas.

The next meeting of the United Nations' FAO will open in Copenhagen, Denmark, Sept. 2.

327 CARS OF GRAIN AVAILABLE FOR NORTHEAST Farmers and elevator operators in six midwestern States are cooperating in a voluntary program to ship feed grains to feed-short areas in the Northeast and Northwest. The corn processors who are milling some of the corn recently purchased by the Government for relief feeding abroad are also shipping the by-product corn feed into these areas.

To date 147 cars of corn, oats, and corn by-products have been offered for distribution to Northeast farmers to prevent liquidation of foundation livestock. In addition, 180 cars of wheat, owned by Commodity Credit Corporation and unfit for human consumption have been shipped from a Gulf port and should be available in two weeks.

J. Ralph Graham, State FMA Director, New Hampshire, is directing shipment of the grain from the West to the Northeast Region. State allocations to feed dealers are recommended by the State Feed Advisory Committees.

WHEAT SALES IN 1945 SECOND TO 1944 ALL-TIME RECORD Farm sales of wheat in 1945 were second only to the all-time record set in 1944. Marketing price of wheat was the highest since 1925, and cash receipts received by farmers, except for 1944, were the highest in a quarter of a century.

Wheat prices have been on the up trend since 1938 when prices to farmers averaged about 60 cents per bushel. Up to 1943-44, the loan program was the most important factor in domestic wheat prices, which, by 1943, had reached an average of \$1.31 per bushel. Since then the extra wartime demand for wheat has become the important price factor. Average prices for 1945 were \$1.45 per bushel.

Heavy disappearance will probably reduce the U. S. carry-over on July 1 of this year to less than 100 million bushels, well below the 10-year (1932-41) average of 235 million bushels.

While world production prospects indicate increased crops above last year's in most countries, carry-over stocks will be greatly reduced, and the total supply will continue to be considerably short of the world's normal consumption.

MOST USDA DELIVERIES GO FOR EXPORT Food and agricultural products for UNRRA and other foreign shipments during February amounted to more than 1,947 million pounds, or about 88 percent of total deliveries by the U. S. Department of Agriculture, it has been announced. The other 12 percent were for disposition through commercial and miscellaneous outlets and transfers to other U. S. agencies.

Shipments for UNRRA included grain, dairy products, livestock and meat, cotton and fiber, sugar, fats and oils, fruits and vegetables, and other special commodities. Shipments for other foreign countries included most of the same types of commodities, with additions of tobacco and poultry.

* * *

-----"It will not be too many years until the public will begin to understand that without soil there is no nation and no price is too great to pay to insure that even one acre is preserved." -----E. R. Jackman, Crop Specialist, Extension Service, Oregon State College.

POTATOES BACK UNDER
PRICE CONTROL

Potatoes, probably the most important single food item from which price control had been removed -- have been placed back under price ceilings as a result of the railroad work stoppage. Ceilings will be those that existed during the corresponding time of last year, and will remain in effect until the emergency period passes.

Since potatoes rank with wheat, flour, and bread in importance as a staple food commodity, OPA said, it is important not to allow prices to shoot up if scarcities begin to develop in areas awaiting shipments tied up by the present emergency.

Potatoes were removed from price controls early last fall, and prices generally have remained below ceilings since that time.

FEWER CATTLE ON FEED

Cattle on feed in the Corn Belt on April 1 were estimated to be 17 percent (around 350,000 head) less than a year earlier -- the largest percentage reduction on record except in the years following the droughts of 1934 and 1936.

And with the recent sharp advance in feed prices and the uncertainty as to price ceilings and subsidies, the outlook is for the number of cattle put on feed in the next six months to be sharply reduced. Unless feed-grain production is unusually large this year or unless there is a sharp drop in feeder cattle prices, the movement of cattle to feedlots in the fall will be restricted, and many cattle that would normally be grain-fed will go direct to slaughter.

PRICES OF FARM PRODUCTS
DECLINE SLIGHTLY

Farm products averaged 115 percent of parity on May 15, as judged by the ratio of the index of prices received by farmers to the index of prices paid by farmers plus interest and taxes. Much greater than seasonal declines in truck-crop prices overbalanced sharp increases in grain prices and moderate increases in most other commodities. As a result, the general level of prices received by farmers dropped one point during the month.

Most striking of the gains in prices paid by farmers was the upturn in the feed-price index -- the largest rise in any single month since July 1936. This was the result of increases of from \$15 to \$14 per ton in the ceiling prices of mill feeds at terminal markets. While retail feed prices to farmers did not fully reflect the authorized price advances by the middle of May, prices paid for mixed dairy feed, bran, and cottonseed were all up substantially.

MONTHLY EGG AND
POULTRY MARKETS REVIEW

Egg markets became progressively weaker as the month advanced, although price declines were moderate. Receipts continued heavy and above expectations. Adequate storage space was difficult to obtain as reserve stocks reached near record levels. Speculative interest subsided and consumer demand was less active. Liquid frozen and dried eggs reflected the weaker tone on shell eggs. Storage stocks of frozen eggs continued at record levels although the rate of into-storage movement declined. Lower prices of undergrade shell eggs stimulated offerings of dried eggs to the Government. Poultry markets were steady to firm. Demand was moderate. Receipts steadily increased while storage stocks of dressed poultry declined seasonally.

* * *

--Losses of fruits and vegetables due to the recent railroad strike appear to be negligible. Unloadings continued in terminals during the strike, and cars which had been side-tracked at way points were rushed to their destinations at the conclusion of the strike and quickly taken care of.

MONMOUTH COUNTY
GETS 'EM OUT

The following appeared in the May 23 issue of the "Community Committee Digest" published every two weeks for information to New Jersey committeemen.

"Down Monmouth County way a group of vegetable growers began asking questions. They were hard-working men from Shrewsbury, Neptune and Ocean townships . . . but they didn't believe in working all the time and never thinking.

"George Stevens, at that time chairman of the Monmouth County Triple A Committee, decided to do something about it. In December 1944 a meeting was called at the the Wayside firehouse. Meanwhile, those community committeemen got busy; Hubert Voorhees, Chairman, of Wayside; Robert Squillari, of Eatontown; Ernest Smith of Green Grove; alternates Joseph Vilotta of West Long Branch and G. Douglas Parker of Little Silver. Result -- attendance at first meeting was over thirty-five farmers. They wanted to know how Triple-A programs affected them -- how to get government line -- about price supports, farm machinery, crop insurance. They got the answers.

"Those Wayside meetings have continued once a month ever since, except during June, July and August.

"Says George Stevens, now a State Committeeman of P&MA, 'These meetings taught us all a lesson. We learned that farmers are interested in the work they're paying taxes to get done for them. When we learn their problems and they learn ours we get more done . . . can send more intelligent advice to the policy-making boys down in Washington.' "

FATS AND OILS Some reduction in total domestic output of fats and oils is
SITUATION probable in 1946 as a result of a substantial decline in butter
 and a decrease in output of cottonseed oil following the 25%
reduction in the cotton crop last year. Increases are expected this year in
production of lard and grease, reflecting late marketings of 1945-crop spring
pigs, a 12% increase in the 1945 fall pig crop, and probable early marketings of
1946-crop spring pigs. Output of linseed oil from domestic flaxseed probably
will increase moderately. Recent developments point to a further decline in
domestic output of fats and oils in 1947.

Lard and tallow and grease production may decline 300 million to 350 million lbs. in 1947 . . . Although reports on acreage are not yet available, both soybean and flaxseed production are likely to be materially smaller in 1946 than in 1945. This will be reflected largely in reduced oil output in 1947.

Allocations of fats for 1946 shipment to foreign countries and U. S. territories amount to slightly less than 1 billion lbs. . . Lard accounts for more than two-thirds of the total fat scheduled for export in 1946. Imports of fats and oils, including oil-bearing materials, are likely to decline this year even with some increase in in-shipments of copra. . . The current low level of butter output indicates a further decline in civilian consumption of butter per person for 1946, but civilian supplies of other food fats per person may total about the same as last year. Use of fats and oils in the manufacture of soap for civilians will be slightly less in 1946 than in 1945, if quotas are continued at present levels.

Supplies of oils and fats for civilian drying-oil products in 1946 will be about 40% larger than in 1945, if manufacturers' quotas are maintained at present levels. The increase is due chiefly to the sharp reduction since the end of hostilities in military procurement of drying-oil products and to a moderate increase in production of linseed oil.

NORTHEAST FARMER FIELDMEN
TO MEET JUNE 18 - 20

A conference of Northeast farmer fieldmen of the Field Service Branch, PMA, will be held on June 18, 19, and 20 at Hershey, Pennsylvania.

The objective of the meeting is: "To increase the effectiveness of all PMA work in the States by developing better understanding by farmer fieldmen of their responsibilities and opportunities for greater service."

Mr. James Robb, Manager of the Hershey Farm will open the meeting with a message of welcome. Members of the Northeast Regional Office staff will discuss the agricultural situation, program policies, and organization in the first day's session. A talk, "Objectives" will be given by Byram Leonard, New York farmer fieldman in the afternoon.

The program for the second day will include an organization meeting, a talk by W. D. Ellison, Soil Conservation Service, and answers to administrative and program problems questioned in advance by the fieldmen. A field trip is also planned for the second day.

Following a discussion on public relations and development of the committee system on the last day, H. L. Manwaring, Assistant Director of the Northeast Region, will summarize the conference.

USDA TO STUDY EFFECT
OF ATOMIC BOMBING

Collections of seed, molds, plant and animal disease materials, and insects, including both those friendly and unfriendly to man, are now enroute to the Bikini

Islands, where they will be exposed to alpha and gamma rays and exploding nuclei when the atomic bomb tests of Operations Crossroads are made.

These materials, assembled by the research bureaus of the U. S. Department of Agriculture, will be exposed at the 25 stations established by the Navy Department to study the effects of atomic bombing. These stations will be located at various distances from the center of the explosion. All of the collections will be flown back immediately after the test for careful examination by Department scientists, and comparison with check lots.

The Bureau of Plant Industry, Soils, and Agricultural Engineering is sending several lots of seeds to determine the effect of atomic energy upon their viability, ability to grow, and to check the possibility of changes in the genetic makeup after exposure. Included are 10 lots of cereal seed, 9 forage crops, 12 vegetables, 2 flowers, and 1 cotton. The scientists also are sending 1 lot of smut spores and 1 lot of snap beans infected with a virus disease carried in the seed.

1945 ACP PAYMENTS

Payments certified under the 1945 Agricultural Conservation Program were reported by Northeast State Offices as follows for the period ending May 24, 1946: Maine, \$259,939 - 79.4% of total estimated payments; New Hampshire, \$35,519 - 60.3%; Vermont, \$155,132 - 70.9%; Massachusetts, \$229,573 - 64.2%; Rhode Island, \$11,643 - 72.8%; Connecticut, \$52,902 - 21.1%; New York, \$1,253,824 - 59.8%; New Jersey, \$692,550 - 69.1%; Pennsylvania, \$1,471,135 - 76.2%; total for Region, \$4,162,216 - 67.1%.

RADIO RULES

Farmer fieldmen and committeemen making radio talks will find the following tips useful. The rules were prepared by Charles E. Eshbach, Director of the New England Radio News Service and appeared in the May 1 issue of the News Service Bulletin.

Don't talk in a Complicated Way on the Radio. Remember These Rules:

1. Long sentences are hard to talk on the air. After you go on the air, it's easier to put several short sentences together than to break up a long one. Mix up short and medium length sentences. Don't struggle to have every sentence grammatically correct. (A short sentence is about one line of typing. A medium length sentence runs up to two-and-a-half lines.)
2. Conversations are much more listenable when you mix up short speeches and medium length speeches. (A short speech is one to two typewritten lines. A medium length speech is three to five or six lines.)
3. Direct sentences give your broadcast more punch. You can talk them more fluently.
4. The active voice is much stronger than the passive:
Do not say: "It is assumed by farmers that labor will be plentiful"
Say: "Farmers think labor will be more plentiful"

Do not say: "It was found that more crops could be grown when farmers used more machinery"
Say: "Farmers who used more machinery raised more crops"
5. The friendliest approach is to use the first and second person. Use the third person only when "reporting."
6. Don't use round-about expressions:
Do not say: "for the purpose of buying"
Say: "to buy"

Do not say: "at the present time"
Say: "now"

Do not say: "I am desirous of obtaining"
Say: "I want"

EVAPORATED MILK SET-ASIDE ANNOUNCED

The U. S. Department of Agriculture announced June 3 that producers of evaporated milk will be required to set aside 60 percent of their production during June for sale to Government agencies. This action, which is the first evaporated milk set-aside order issued by the Department of Agriculture, is being taken in order to meet military and Government export requirements.

While production will not be as large this year as last, Government requirements have been reduced from 39 to 12 million cases. It is estimated that more than 50 million cases will be available for U. S. civilians during 1946 compared with 48 million cases last year.

BEEF SET-ASIDE
REGULATIONS CHANGED

Set-aside regulations on beef have been changed to speed procurement for foreign relief shipments and to make more specific the set-aside and delivery requirements which slaughterers must meet. Under the Amendment to WFO 75.2 effective

June 2, the order provides that:

1. Federally-inspected and certified slaughterers must set aside each week and hold in reserve for Government procurement, a fixed percentage of their weekly beef production of specified grades. They must also certify the physical set-aside of each week's requirement.
2. Affected slaughterers will be required to deliver to Government agencies a quantity of beef equal to that required to be set aside in the third previous week.
3. Federally inspected and certified slaughterers will be required to have made up all deficits in deliveries of set-aside amounts of beef by June 22 instead of June 15 as originally announced.
4. U. S. Utility Grade and Cutter Grades of beef have been combined, and the set-aside combined established at 55 percent. Commercial Grade beef remains at 40 percent of production.
5. The Administrator of PMA may direct delivery to a Governmental agency of the set-aside beef in the event of failure on the part of slaughterers affected by the order to deliver the required set-aside quantity.

Department officials stated that set-aside orders on pork and lard, and veal would be revised in line with the amended beef regulations. Mutton set-asides have been suspended indefinitely.

USDA TO BUY
FROZEN EGGS FOR U.K.

A program for the purchase of approximately 32 million pounds of frozen eggs for the United Kingdom was announced June 4 by the United States Department of Agriculture. The total requirement calls for nearly 36 million pounds, but it may be filled in part with frozen eggs purchased earlier this year by the Department under price-support operations. The entire quantity will be used for distribution to commercial bakers and other food manufacturers in England.

Purchases will be made on an offer and acceptance basis under a new purchase program of frozen eggs processed under authorized supervision in April, May, or June. Offers of the eggs will be received by the USDA beginning Wednesday, June 12, and each Wednesday thereafter until further notice. Acceptances will be announced each Friday following June 12.

Processors who sell frozen eggs under this purchase program will be required to pack the eggs for export in new tin containers holding 30 pounds each. To give processors an opportunity to obtain the new 30-pound containers, and the outer carton in which they must be packed for export, deliveries of the frozen eggs will be accepted through June, July, and August.

(Agriculture in Action -- Issued weekly and distributed in the Northeast to State PMA Committeemen, State Offices of PMA; Farmer Fieldmen, County Offices in Mass., Conn., Penna., N.J. and N.H.; County Committeemen in N.J., Penna., N.H., & R.I.)

Radio Transcription
A. W. Manchester, Director
Northeast Region, Field Service Branch
Production & Marketing Admin., USDA
June 6, 1946 - 6:15 a.m.
Station WBZ - Boston, Mass.

Farmers to Get Milk Increase

I guess everybody knows by now that the price of milk has gone up a cent a quart in Boston, New York and other Federal market agreement cities. The farmer is supposed to get 40 cents a hundred pounds more for his milk out of the increase. Other markets are making similar advances.

The higher retail price was authorized by the Federal Government last week. It is in addition to the higher subsidies which had been previously announced.

What will happen to milk prices after July 1 will depend upon what happens to the OPA legislation which is now moving into its final stages. If price control is done away with or milk and its products are eliminated from control, subsidies will be terminated and milk prices will go up again. How much the increase will be is a matter of speculation just now.

If price control on meats and other animal products is also done away with, the present halting flow of grain to the Eastern market may dwindle farther. The attractiveness of feeding the grain on the farms where it is grown would be likely to grow.

The bald fact about the feed grains is that the farmer who raises them plans to keep enough at home to feed the stock he plans to raise. When livestock prices rise in comparison to grain prices, his plans for feeding stock expand, and his plans for selling grain contract proportionately.

This didn't bother Eastern feeders much in the old days. Our national grain production was usually comfortably in excess of the needs for livestock feeding.

But our national appetite for meat, milk, and eggs has grown -- in fact, it has about outgrown our ability to raise feed.

Of course, if the price of grain sky-rockets enough to more than offset the increase in meat prices, the attractiveness of feeding will again decrease and more feed will be available for Eastern buyers. But at what a price!

As a matter of fact, prices nudging one another up like that is what is commonly called the "spiral of inflation."

I went through the inflation that followed the last war and the one in the late 20's, and I can't help dreading another. It's tough on a lot of folks when prices are soaring and it's tough on most everybody when they come down again with a thud. The years in the trough after the bubble bursts are a lot longer than the moments when we are floating in the clouds.

For farmers, apparently, the time has come to prepare for the storm -- tighten everything down and try to ride it out.

Radio Transcription - Continued

I hate to say this.

I have thought for years that we had learned enough to keep out of inflation. We ought to. There is nothing mysterious about it. And this danger may be warded off, too.

But that is something that is hardly safe for farmers to count on anymore.

One direction that is wise to move in times when inflation threatens is toward greater self-sufficiency. Northeast agriculture is in a peculiarly vulnerable position now, because our agriculture is so much of a manufacturing process. We buy great quantities of feed and process it into milk or eggs. We lay out a lot of money in the hope of getting a little more back.

This has been the most profitable thing for us to do under the conditions of the past. But it depends for its profits on feed being relatively cheap and on there being a dependable supply of feed in the market.

The way things look now, it is a dangerous position to be in. We can't count on either cheap feed or enough of it.

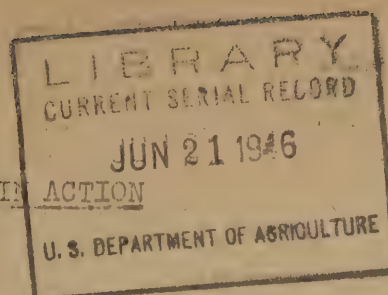
Of course, we can't change immediately. We shall have to work our way through what lies right ahead in the main on the same basis as we have been operating on. But we can begin to change. Every bit of progress that we can make toward greater self-sufficiency makes us that much safer.

Better pastures, better range, better hay, more home grown oats and corn, and in some places soybeans are the road to greater security.

This is cold comfort to the farmer who can't provide them. But great numbers of our farmers can go a little farther in this direction. The way things look now, it seems the wise way to move.

* * *

United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.



AGRICULTURE IN ACTION

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester

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Director, Northeast Region

1946 CROPS TO RANK WITH PAST 4 YEARS' PRODUCTION With moisture supplies adequate in most portions of the United States, 1946 crop production will probably be almost equal that of the past 4 years. Progress of crops has been slow due to weather handicaps during May, but crops are expected to respond to normal warmer weather in June. Spring plantings were somewhat delayed by wet weather in North Central and Southern States. However, farmers apparently will be able to plant the acreage they had planned and may exceed it for some crops.

Wheat prospects indicate the third billion-bushel crop and the third largest total production of wheat on record. The outlook for winter wheat improved during May, and spring wheat production is indicated above the 10-year (1935-44) average. Wheat is already moving to market from Southern areas.

Progress of corn planting in the heart of the Corn Belt gives some evidence that acreage may be increased over earlier intentions. Frequent rains in May delayed planting somewhat in North and South Atlantic States, and the southern portion of the Corn Belt.

The second largest oats crop on record is in prospect. The June 1 forecast is 1,492,733,000 bushels, about 3 percent below last year but 22 percent above the 1935-44 average. Barley prospects are the lowest since 1937; in general yields are indicated lower than last year due to frost in some areas and dry weather in others. Rye acreage is much below normal, and estimated yields are below last year's and the 10-year average yields.

Total fruit production other than citrus is expected to be slightly above average and about 10 percent larger than last year's crop.

The largest commercial early potato crop of record is indicated. Irish crops, while severely damaged by rains during May, may still total an eighth larger than the record set in 1945 and 40 percent above average.

Milk production continued at near-record volume. The heaviest production per cow for May nearly offset the decline in milk cow numbers from the war years' high level.

Condition of pastures on June 1 was the third best for the date since 1939. Abundant green feed was available for livestock except in sections of the Great Plains and the Southwest.

MAY GRAIN EXPORTS TOTAL
NEARLY 600,000 TONS

During the last 11 days of May grain exports totaled an estimated 363,000 long tons, to raise the month's total to 595,000 tons (22,222,000 bushels).

Exports in May were reduced below scheduled shipments by rail strikes and flood, and approximately 250,000 tons of projected May shipments had to be carried over into June. Without interference, shipments for May would have totaled 340,000 tons.

Heavy exports of more than 1,500,000 long tons have been scheduled for June, and shipment of this volume would raise the total amount of grain shipped since last July 1 to nearly 400 million bushels. During the first 6 months of this year, shipments plus June estimates are expected to total more than 5,400,000 tons (about 200,000,000 bushels).

Shipment of the full amount will require continuous flow of grain and grain products to the limit of capacity without further interruptions or delays.

Grain exports for the first 5 months included: wheat, 2,692,000 tons; flour, 1,303,000 tons; corn, 65,000 tons; and corn products, 13,000 tons.

Largest shipments of wheat and wheat flour -- about 37 percent of the total -- went to UNRPA countries. Other countries, and the portion of total shipments each received, are: France, North Africa, and the French Occupation zone in Germany, 23 percent; British Empire and British German Occupation zone, 6 percent; U. S. Occupation zones, 11 percent; Brazil, 4 percent; India, 2 percent; Belgium, Portugal, Mexico, Cuba, and the Philippines, 2 percent each; Netherlands, Spain, 1 percent; and 23 countries principally in Latin America but also some in Asia and Africa, 4 percent.

GRAIN NOW MOVING
INTO DEFICIT AREAS

Shipping instructions on 395 cars of grain for deficit areas of the Northeast Region were issued through June 11 under the voluntary program to furnish feed to prevent liquidation of foundation livestock.

The 395 cars of feed, some of which has already been received by dealers, includes 6 cars of oats, 10 of corn, 165 of hominy, 90 of gluten feed, 12 of gluten meal, and 112 cars of wheat unfit for human consumption.

PLENTIFUL FOODS

Foods expected to be plentiful throughout the greater part of the country during July are: Potatoes, onions, cantaloups, watermelons, peaches, lemons, and turkeys (heavy Toms).

The potato abundant food program is underway. Several areas do not yet have early spuds in abundance, even though we are already buying in the South. The week ending June 1 set an all-time record for number of cars shipped from producing areas -- 10,306. May 29 was an all-time high day in potato shipments, with 2,046 cars moving out of growing centers. This eclipsed greatly the two previous highs of 1,514 cars shipped on May 15, 1938 and 1,531 cars on June 24, 1943. The potatoes are reported to be selling generally at moderate prices and to be of good quality.

An abundant food program on peaches is planned.

FARMERS' MILK PRICES BOOSTED Boosts in the ceiling prices to farmers for milk and milk products are now in effect in many areas, and will be in effect when OPA announces the changes. They are the result of a supply price and allocation program announced May 29 by the Office of Economic Stabilization.

Ceilings for milk for fluid use will increase the following amounts, depending upon the method of payment in the area concerned:

- 40 cents per hundredweight in areas where ceilings are set on a hundred-weight basis.
- 4 cents per gallon, where ceilings are set on this basis.
- 10½ cents per pound butterfat, where ceilings are figured on a butterfat basis.

Some exceptions to the general increase of 40 cents include: the entire State of New Jersey, where producers received an increase in January; Federal marketing areas, where some adjustments have already been made and others are due, as well as bordering areas where increases will come when the Federal areas reflect changes.

Besides the increases listed above, the Office of Economic Stabilization announced a ceiling price to farmers on milk produced for manufacturing purposes -- the first time such a ceiling has been set. For each producer, the ceiling will be 40 cents per hundredweight over the price he got in November 1945. This ceiling cannot be below \$3 or above \$3.20 for 3.5 milk.

An increase of 10 cents per pound for butter, which manufacturers are now allowed by OES, will give the farmer about 12 cents per pound more for butterfat in farm-separated cream.

For July and later months, price ceilings and production payments depend upon action by Congress. However, if ceilings and payments are continued, returns for milk will average at least 60 cents per hundredweight above 1945 levels. Butterfat returns would be slightly higher than those for milk.

FARMERS MAY GET MORE LUMBER SOON Farmers may be getting more lumber soon as the result of recent actions taken by the Civilian Production Administration. CPA field offices have been instructed to cut down two-thirds on the amount of lumber approved for uses other than in housing and farm construction.

Also, 25 percent of a distributor's regular monthly supply of lumber must now be held for uses without priority ratings. The same ruling applies to any lumber a distributor may get above his regular certified amounts. Further, distributors now must release their reserve lumber at the end of the calendar month it is received, rather than wait 60 days as previously required.

These changes should make it easier for farmers to get lumber without priority help. Hitherto, lumber distributors could hold all their supplies for priority sales. This often made it difficult to get lumber even for small repair jobs on the farm. Immediate effect of the changes should be to release for sale without priority all the lumber the yards received prior to June 1 -- except that which is obligated to those holding priorities.

Total requirements for 1946, according to CPA Administrator Small, are figured at more than 36 billion board feet -- some 20 percent more than the estimated supply of 30 billion. Factors which have held up production include bad weather, labor shortages in some areas, as well as equipment pinches, and a lack of heavy stumpage at reasonable prices. Despite these difficulties, he said, lumber production improved during March and April.

COMMITTEE SYSTEM THEME OF COUNTY ASSISTANTS' CONFERENCE

The county assistants in conservation of the Northeast States held a three-day conference in Hershey, Pennsylvania, on June 4, 5, and 6. Vin Riley in closing the conference emphasized, "The county assistant's job is to help our committeemen," and the entire meeting centered around that idea.

One session was divided into two committees, "public relations" and "development of committee system." The committee reports, as adopted by the conference, are being mailed out to States this week.

An afternoon was devoted to a field trip — traveling by car through picturesque Lancaster County, visiting farms in the area to see first-hand the results of good conservation practices.

"B" Leonard gave a stimulating talk on "Objectives" which will be repeated at the Fieldmen's Conference next week. A great deal of interest was shown in the New York State Objectives chart, and the county assistants have requested that this idea be carried out locally.

The county assistants' association has named the following officers for the coming year: Vincent J. Riley, Massachusetts, president; Ralph King, New York, vice-president; and Joseph Scungio, Rhode Island, secretary-treasurer.

USED FOR BALE TIES

CANNOT BE MET THIS YEAR

Farmers should be advised to make plans to harvest and store at least a part of their hay crop by methods other than baling. For farmers' needs to be satisfied, 65% to 75% of the 110,000 tons estimated demand for 1946 should be produced by July of this year. However, the steel strike in January and February greatly curtailed production during the first quarter and the recent coal strike affected production during this quarter.

At the present time, however, production of bale ties is at just about 100% of capacity. It now appears that output during the first half of the year will fall short of meeting demand by 25,000 to 35,000 tons. Even though it were possible for bale ties to be produced at capacity during the second half of this year, it is now expected that the estimated requirements could be met. The shortage is general throughout the United States and it is understood that manufacturers are promoting their production as nearly as possible according to last year's shipments.

Last year 17 million pounds of twine for hay balers was authorized. This year 30 million pounds were originally authorized. An additional 5 million pounds were authorized a short time ago making more than twice as much sisal available for twine as was available last year. The world supply of sisal is completely allocated and it is not possible to allocate any additional quantity at the present time. If, after the grain harvesting season has progressed further along in the West, it may be possible to divert a small quantity of sisal from the production of flax twine to twine for hay balers. The primary reason for the shortage of twine, however, is the fact that there is a much greater demand this year than ever before. For example, one company alone produced more hay balers last year than they had in the five preceding years combined.

* * *

—State FMA Directors and Assistant Directors will attend a nation-wide meeting in Chicago June 17-19 called by FMA Administrator R. H. Shields. Regional Directors of the Field Service Branch will also attend.

RELATION OF FEED PROBLEM
TO EMERGENCY FOOD PROGRAM
EXPLAINED BY BLAKESLICE

The following is quoted from a letter to committeemen
from Jacob A. Blakeslice, State PMA Director, New Jersey.

"In rural areas there is room for a conflict of opinion as to the relation of the livestock feed problem to the Federal Emergency Program, the responsibility for which has been assigned to the Home Agents in this State by the Production and Marketing Administration.

"America must decide which will be fed first -- human beings or livestock. The answer is obvious and the conservation measures set forth thus far follow a logical pattern. The first conservation measures taken were aimed at brewers and distillers. This was followed by the order increasing the percentage of wheat extraction from 70 to 80 percent. The amount of wheat made available to millers and bakers has been cut 25 percent and a voluntary program to cut domestic consumption of wheat products by 40 percent has been instituted. Secretary Anderson's announced plans for 1946-47 indicate further strengthening of these measures on a national basis but even this is not enough. We must find ways to conserve livestock feed in order that people may live.

"Laying flocks in New Jersey contain more than a quarter of a million birds above the same period of last year. Severe culling is the only answer. The Dairy Department of the State Agricultural College estimates that New Jersey dairymen can save 34,000 tons of grain feed this summer and 70,000 tons next winter by following recommended pasture and range practices. New Jersey farmers will never be content to let people starve because we have not used every means to stretch the feed supply.

"Our position is clear. There is no alternative. We must unite in our efforts to reduce the amount of grain used for livestock feeding along with the adoption of other conservation measures for making more food available to starving countries."

NORTHEAST STATES APPROVE
CONSTRUCTION OF 943 FARM
DWELLINGS AND BUILDINGS

State PMA Committees in the Northeast Region, through June 1, have approved 893 applications for farm dwellings out of 943 received and 350 applications for farm buildings other than dwellings out of 372 submitted. The total cost of the construction authorized is \$3,040,371.13. The following tabulation shows the number of applications received and approved for each State.

State	Farm Dwellings			Other Farm Buildings		
	Received	Approved	Cost of Work	Received	Approved	Cost of Work
Me.	72	63	\$17,330.00	77	17	\$477,335.00
N.H.	23	22	61,210.00	19	15	75,170.00
Vt.	36	34	87,648.50	33	32	156,788.00
Mass.	49	47	183,209.12	34	34	167,939.00
R.I.	5	1	12,500.00	2	1	4,000.00
Conn.	81	70	350,725.00	47	40	133,970.00
N.Y.	125	107	274,637.09	47	46	351,350.00
N.J.	54	42	181,270.00	23	15	74,145.00
Penn.	208	207	549,668.45	90	90	491,306.00
Total	653	593	\$ 1,966,841.13	372	350	\$ 1,962,007.00

* * *

---Effective June 14, the Rhode Island State PMA office will be located at 603 Jackson Building, 511 Westminster Street, Providence, Rhode Island. The former location was at the State College, Kingston, R.I.

SOYBEAN MEAL
RESTRICTIONS TIGHTENED

To keep protein meal and soybeans moving in normal trade channels, and more particularly to prevent the trading of soybeans for meal, Government controls over bartering of these products have been tightened. Restrictions on soybean purchases provide that:

- No person may receive or direct the delivery of protein meal in an amount exceeding what he received during the corresponding month of 1945;
- Soybean purchases are limited to the buyer's manufacturing, processing, or seed sales requirements for the period ending October 10, 1946 (for the 1945 crop) and October 10, 1947 (1946 crop);
- Persons engaged in buying and selling soybeans may not purchase, accept delivery, or contract for soybeans in an amount which would cause their inventories plus quantities in purchase contracts to exceed delivery requirements under existing contracts plus 2,000 bushels;
- No person may purchase or accept delivery of soybeans, or contract to do the same, in an amount which would cause his inventory of soybeans plus quantities in contracts to exceed his delivery requirements under existing contracts with the CCC, plus his planting requirements, plus his requirements for sales for human consumption. This does not apply to processors, soybean products manufacturers, seed dealers, country shippers, soybean trucker-merchants, soybean merchandisers, or terminal elevator operators.

LIME DELIVERIES 5%
BELOW GOAL FOR MAY

Forty-one percent of the total estimated lime deliveries to be made under the 1946 Agricultural Conservation Program were reported by suppliers through May 31. The goal through May 31 was 46 percent. The following table lists the orders and deliveries for States in the Northeast:

State	Estimated Tonnage	Orders Rec'd from County Office	Percentage Ordered	Deliveries Made	Percentage Delivered
Me.	8,114	56,614	70%	36,602	46%
N.H.	38,700	32,671	84	20,515	53
Vt.	61,398	55,727	91	48,060	78
Mass.	75,115	49,735	66	35,375	47
R.I.	8,844	5,100	58	3,752	42
Conn.	57,164	43,963	77	26,449	46
N.Y.	729,621	457,159	63	262,388	36
N.J.	58,045	44,052	76	37,218	64
Penna.	724,863	528,314	73	283,608	39
Total	1,834,100	1,273,335	69	753,967	41

SLAUGHTER QUOTAS REDUCED
ON CATTLE AND CALVES

A 15-percent reduction in the quota of cattle and calves that Federally inspected packers may kill under the slaughter control program has been announced by the Department of Agriculture. Packers may now kill only 85 percent of the total live weight of cattle and calves slaughtered in a corresponding period in 1944.

Quota reductions were necessary because cattle and calves have been going to market in smaller numbers than anticipated. For the week ending the first of June, 46 percent fewer cattle were slaughtered under Federal inspection than during the same week in 1945, and 26 percent fewer than a week earlier. Calf slaughtering was down 31 percent from a year ago, and 21 percent below the preceding week.

ANDERSON SAYS FAO OFFERS HOPE FOR FREEDOM FROM WANT

meat and milk?" Secretary of Agriculture Clinton P. Anderson recently asked during an address to Rotarians.

Answering his own question, Secretary Anderson said he is convinced the world has the essentials for achieving Freedom from Want. One of the greatest hopes of mankind for peace and plenty in the future, he said, is the Food and Agriculture Organization of United Nations.

"Its primary objective is to help nations of the world to expand both supply and effective demand so that the earth's two billion men, women, and children have a better living," the Secretary explained.

"What we want in the world. . . and what we hope to promote through FAO and other organizations of the United Nations . . . is an increasingly productive agriculture, balanced by increasingly productive industry. Only in that way can there be more food and more products to divide among all of us."

SHEEP AND LAMB PRODUCTION PAYMENTS

Payments to producers under the Sheep and Lamb Production Program were reported as follows through April 30 for States in the Northeast Region:

State	Drafts Issued	Number of Head	Pounds Sold	Amount Payable
Me.	11	343	28,285	\$480.19
N.H.	1	82	4,965	49.65
Vt.	12	126	11,472	219.61
N.Y.	321	23,042	2,068,578	58,883.55
Penna.	165	4,116	360,335	8,641.60

POTASH BACK UNDER DISTRIBUTION CONTROL

Primary potash salts, a principal fertilizer compound, have been put back under allocation controls to avoid serious maldistribution of the materials. Potash salts include chloride of potash, sulphate of potash, sulphate of potash-magnesia, and run-of-mine potash.

The five primary potash producers in the United States are reported operating at full capacity and the Civilian Production Administration estimates that output cannot readily be expanded. A large share of U. S. potash requirements were imported from Germany and France before the war, and Government controls over domestic production would not be necessary if imports from European potash mines could be substantially increased. However, such increases are not indicated for the 1946-47 fertilizer year.

Potash is essential in agriculture as a plant food. Besides expanded requirements for domestic agriculture, world supplies are being pressed to furnish potash for liberated and military-controlled areas, notably in Europe and Japan.

* * *

—Seventy-four percent of the 1945 Agricultural Conservation Program payments were certified by Northeast State offices through May 31, 1946 as follows: Maine, 82.4%; New Hampshire, 64.6%; Vermont, 72.8%; Massachusetts, 74.7%; Rhode Island, 74.1%; Connecticut, 40.2%; New York, 63.9%; New Jersey, 34.6%; Pennsylvania, 78.3%.

"FOR WANT OF A NAIL" A critical lack of nails which would have caused the
ALMOST COMES TRUE loss of great quantities of perishable foods has been
offset through cooperative action by the War Assets
Administration and the Department of Agriculture.

Manufacturers of food containers, and food processors were unable to obtain nail supplies to meet their urgent needs. As the harvesting season started in the Southern States and movement of fruits and vegetables in the Western States started, growers were faced with loss of their crops because boxes and crates were not available to ship them.

Government action to meet the emergency calls for (1) War Assets to keep Agriculture informed as to the location of surplus stocks of the specified nails, (2) Agriculture to certify the needs of manufacturers and allocate the nails, and (3) shipment of the nails immediately upon receipt of orders by the nearest WAA regional office.

The emergency is expected to be over within 60 days, when private industry will have had time to catch up on production of nails.

WOODEN CONTAINERS TO BE Eastern and central producers of wooden agricultural
SOLD ON ADJUSTABLE BASIS containers may now sell and deliver these containers
by agreement with purchasers at ceiling prices which
will be adjusted in accordance with possible increases to be granted by OPA after delivery. The adjustable pricing is applicable only to sales direct from producers to consumers.

The use of adjustable pricing has been authorized pending completion of a study of the industry's operation under present ceilings. The authorization has been given to promote production and distribution of the containers and to remove any possible interference with the vitally important food program.

FOOD-STRICKEN FARMS Two and a half carloads of surplus barbed wire have been
GET SURPLUS WIRE earmarked for flood-stricken farms along the Susquehanna
River in the vicinity of Elmira, New York, War Assets
Administration has announced. Washed-out fences recently destroyed over a 30-mile area will be rebuilt with the surplus wire in possession of the New York City regional offices of WAA.

Farmers in the flood areas should place their orders with dealers designated by the Department of Agriculture.

* * *

(Agriculture in Action - Issued weekly and distributed in the Northeast to State PMA Committeemen, State Offices of PMA; Farmer Fieldmen, County Offices in Mass., Conn., Penna., N.J., and N.H.; County Committeemen in N.J., Penna., N.H., and R.I.)

Radio Transcription
A. W. Manchester, Director
Northeast Region, Field Service Branch
Production and Marketing Admin., USIA
Boston, Mass. - Station WBZ
June 13, 1946 - 6:15 a.m.

Report on Food Shortages

No butter -- no oil -- little meat -- lard hard to get -- bread scarce -- sugar rationed. These highlight the food story as far as the American consumer sees it.

Why is it?

One reason is that we are shipping so much food to the hungry third of the world's people. This is a big country and a big producer, but the people outside who need help far outnumber the total population of this country. They are a lot of extra folks for us to feed.

Our food shipments abroad are spectacular. Our goal for wheat shipments was 400 million bushels in the year ending June 30. We shall come very close to meeting that goal. Four hundred million bushels isn't quite as much wheat as we people ordinarily eat in this country in a year but it is well toward it. One hundred million bushels was a pretty good export before the war. Our present exports are around four times as much as usual.

We are shipping well toward two billion pounds of meat this year. Our exports of fats and oils are very big. For these things we are normally net importers. We received most of our fat imports from the tropics -- copra and things like that. The coconut trees may be still there bearing coconuts but they will be going to waste until the destroyed copra trade is restored.

Meanwhile we not only can't get our normal receipts -- we, in the name of common humanity, have to share our own production with those who are far worse off. This doesn't exhaust our list of food exports. Dairy products, rice and other grains and a multitude of other items help fill the ships.

There is another reason for shortages just now. That is uncertainty as to what prices are going to be. This is probably inevitable during the period when price legislation is being worked out.

Everybody knows that prices aren't going down in the near future. If price ceilings are relaxed or control done away with, most prices will go up.

So, naturally, if you have beef cattle about ready to market, you feed them a little longer. They may bring you quite a few cents more a pound after the first of July. You may gain hundreds or thousands of dollars just by waiting.

If you have a crib of corn or a bin of oats, you hold it. You can't lose and you may be a sucker if you sell.

The same goes for butter. I don't want this last statement interpreted as meaning that there will be plenty of butter when this price thing is settled. There won't, that is, unless the price of milk should go up so many cents a quart that customers will cut way down on their purchases of milk. The butter shortage is primarily due to the fact that American people are using around a third more milk apiece than they did before the war. That -- with the increases in other dairy products -- has cut the amount of milk available for butter nearly in half.

We shan't have butter enough for years unless we use less milk or unless the price of butter goes so high that we shan't want to buy much of it.

American food production is still high. The outlook for this year's crops is good -- just how good nobody can tell yet.

But we have more than double the ordinary number of people to help feed. And our American farm isn't essentially any bigger than it was before.

Those other people are gradually going to get their ordinary sources of food restored. The process ought to be pretty well along by the crop year of 1947. This year's production will still be cut by the aftermath of the war. But even with that production restored, there won't be food enough. There never was.

We have a world organization, now, the Food and Agriculture Organization, a branch of the United Nations, that is devoted to the job of trying to build up food production wherever it is backward.

They will work for better agriculture -- higher yields, better land use, better conservation of soils and food resources on a world-wide scale.

Every gain they make will contribute to a more adequate world food supply. But there is little chance that they can go ahead fast enough so that the world will not have undernourishment and hunger-born disease for years to come.

There will still be world need for some of America's food. It is to be hoped that we shall have national policies that will make it possible to supply food to the hungry in a way that will help build greater international friendliness and understanding.

Food could still go far to "win the peace," if the food is used to serve as evidence of true neighborliness.

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United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.

Reserve
JUN 19 1946
JUN 27 1946
U. S. DEPARTMENT OF AGRICULTURE
AGRICULTURE IN ACTION

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester

A. W. Manchester

Director, Northeast Region

WHEAT SUPPLIES TO REMAIN LIMITED Supplies of wheat for use in the United States will continue limited throughout the 1946-47 marketing year despite increases in recent estimates of wheat production in this country this year. Even though a billion bushel crop is forecast, the fourth of this size the country has ever seen, stocks of wheat available this coming year, beginning July 1, will be 275 to 475 million bushels smaller than during the last five years.

Heavy domestic utilization and exports since last July 1 have decreased carryover stocks to their lowest point since 1937. The carryover on July 1 of this year is expected to be about 100 million bushels, which is considerably below the average yearly carryover of about 400 million bushels since 1939.

Demand for wheat abroad will continue in the 1946-47 marketing year, and this country has indicated intentions to export at least 250 million bushels of wheat to aid in feeding the peoples of the world. This will be considerably less than the nearly 400 million bushels expected to be exported during the current marketing year ending July 1. This amount is also far less than preliminary estimates of wheat wanted from the United States.

The estimated production increase over earlier indications will help assure export commitments and at the same time strengthen the possibility of increasing wheat stocks on July 1, 1947, over the low level of July 1 of this year.

Depleted carryovers in all exporting countries will result in squeezing the various uses of wheat to fill the world's minimum needs. Of the slightly more than one billion bushels expected to be available in this country during the coming year, 250 million is committed for export and the remainder will be used for domestic food, feed industry, and carryover. This would be a decrease from domestic consumption during the last few years.

To help assure the needed wheat stocks, regulations call for milling extraction restrictions, limitations on manufacture of flour for domestic use, prohibitions on the use of wheat and wheat products for beer and alcohol, voluntary conservation program, limitations on use of wheat by feed manufacturers, and set-asides for Government purchase.

JUNE WHEAT EXPORTS During the first 10 days of June, exports of U. S. grain
SHOW SHARP UPTURN and grain products reached an estimated 357,000 long tons
 (13,672,000 bushels). This compares with 120,000 long
tons (4,480,000 bushels) exported during the same period in May.

The June exports included 229,000 tons of wheat and flour equivalent and 129,000 tons of corn and corn products. This brings total exports of wheat and flour equivalent, from January 1 through June 10, to 4,225,000 long tons, including 190,000 tons of Canadian wheat milled in bond. U. S. exports of corn and corn products from the first of the year through June 10 total 207,000 tons.

GRAIN HANDLING Elevators and warehouses have been authorized by the U. S.
RATES BOOSTED Department of Agriculture to charge increased rates for
 handling grain for the Government under the Uniform Grain
Storage Agreement.

Warehouse receiving charges are increased 1/2 to 2 cents a bushel above previous rates on wheat, corn and oats, and proportionately per 100 pounds of grain sorghums. The increases have been allowed to offset higher operating costs.

No increase was authorized in storage and loading-out charges.

WHEAT LOANS Loans on the 1946 wheat crop will average about \$1.45 a
ANNOUNCED FOR 1946 bushel on a farm loan basis which is about 8 cents a bushel
 more than the \$1.38 a bushel average on the 1945 crop.

Farm and warehouse-stored wheat is eligible under the loan program to be administered by county agricultural conservation committees through State offices of Production and Marketing Administration of the Department of Agriculture. Wheat loans at 90 percent of parity at the beginning of the marketing year are a legislative mandate under the Stabilization Act of 1942.

Wheat purchases will be made in Georgia and South Carolina, because of warehouse shortages in these States and because of the risk of insect damage to wheat stored on farms in these States for any length of time.

PROTEIN MEAL SET-ASIDE Until further notice, processors must set aside
CONTINUES AT 10 PERCENT 10 percent of their production of soybean, cottonseed,
 linseed, and peanut meal, the Department of Agri-
culture has announced. This is a continuation of the rate which has been in effect since March 31. From January 21 when the set-aside order was reinstated until the end of March, the quantity set aside was 5 percent.

Processors are instructed to ship the set-aside meal for use in designated States which are short of their equitable share of supplies. The meal is sold by processors through regular trade channels. Shipments directed through June 30 total 164,000 tons. Shipments have been directed to 41 States.

* * *

—During the last of May, the weekly menu of a normal Viennese consumer was about 2,740 grams of food, or about 12½ ounces daily. UNRRA says that the daily Viennese ration is "about equal to a good breakfast."

**BEEF FEEDER SUBSIDY
TO END JUNE 30**

The beef cattle feeder subsidy of 50 cents per hundred pounds will end on June 30, 1946, the Department of Agriculture recently reminded producers.

The subsidy on cattle meeting certain weight and grade specifications was originally put into effect at a time when feed supplies were plentiful to encourage cattle feeding operators. Termination of the subsidy is in line with the program to adjust livestock numbers to current feed supplies and free more grains for direct human consumption, particularly for human relief abroad.

Cattle owned by feeder-slaughterers, which meet all other specifications for subsidy payment, must be slaughtered before midnight June 30 to be eligible for subsidy payments. Feeders who sell directly to slaughterers and feeders who sell to other than slaughterers must deliver the animals to a slaughterer for slaughter before the same time.

All applications for payment must be filed with county agricultural conservation offices not later than August 31, 1946. If all information required for payment is not obtained by that date, applications must still be filed by August 31 and more time will be allowed to secure the additional information.

**793 CARS OF GRAIN SHIPPED
INTO NORTHEAST DEFICIT AREAS**

Shipping instructions, on June 17, had been issued for 793 cars of grain under the voluntary program of furnishing feed to deficit areas

in the Northeast States.

The shipments include 153 cars of hominy, 366 of gluten feed, 47 of gluten meal, 7 of oats, 20 of corn, 185 of wheat not fit for human consumption, and 15 cars of growing mash.

**PRICES OF 1946 APPLE
CROP ANNOUNCED**

New maximum prices for apples from the beginning of the 1946 season until August 31 will be \$3.60 per standard box or bushel loaded on car or truck at shipping points, the Office of Price Administration has announced. From September to October 31, prices will be \$3.08.

The new prices, effective June 12, are based on increased production and packing costs. These prices average about one cent a pound higher than original 1945 ceilings, but are one cent a pound lower than ceilings for the 1945 apple crop which were increased during the season to compensate for weather damage.

OPA also announced increases of 21 cents a standard box in prices of apples sold in California from June 13 through June 30. This increase of approximately 1/2 cent a pound at retail was mandatory under the Stabilization Extension Act because unfavorable growing conditions have resulted in a substantial reduction in the California summer apple crop.

* * *

---Sugar allocation for civilian distribution from July 1 through September 30 will be 368,000 tons greater than the allocation for April-June. The increased allocation, which is 1,753,000 tons, reflects seasonal increases for the home and commercial packing and canning season. Annual per capita rate of consumption is expected to about the same as in 1945. This is because of the greatly increased number of civilians and higher industrial sugar rations.

BOOST GIVEN MANUFACTURE OF FARM MACHINERY

To provide maximum sustained production of steel products for farm machinery to harvest this year's crop, for the veterans' housing program, and for other urgent requirements, the Civilian Production Administration has established an emergency distribution system for steel. The system will apply to the third quarter of 1946, when the steel shortage will be most acute.

The new distribution plan provides for manufacturers of specified critical products to certify by letter direct to the steel mills that certain orders which they have placed for steel will be used in making these critical items. Steel mills and warehouses must then give these certified orders certain preferences in production and delivery.

Authorizations for "self-certification" of orders applies only to orders placed with a steel producer on or before June 17, 1946, and on which the producer promised delivery before September 30, 1946. Authorization to certify for additional quantities of steel must be obtained upon application to CPA.

Classes of farm machinery and equipment which may be self-certified by manufacturers for needed steel include: Combines (harvester-threshers); grain binders; corn binders, excluding sled and wheel type; corn pickers; field ensilage harvester, row type; potato diggers and pickers, excluding walking plow type; bean cutters or pullers; sugar beet and cane harvesting equipment; peanut diggers; farm haying machinery, excluding field bale loader; ensilage cutters (silo fillers); corn shellers; potato sorters and graders; fruit and vegetable graders, washers, fruit and vegetable graders, washers, sackers, and conveyors; farm tractors, wheel type.

DOMESTIC FOOD SALES RISE

Domestic sales of food and agricultural products by the Department of Agriculture more than tripled in one month -- from March to April. March sales were \$4,573,330, and April's soared to

\$14,891,793.

About 85 percent of the April sales came from the disposal of commodities declared surplus by other Government agencies. USDA-owned commodities made up the remainder of the disposals.

Special commodities made up the largest percentage -- returning 43 percent of the monthly total, or \$6,343,815. A large quantity of coffee declared surplus by other Government agencies was included. Fruits and vegetables made up the next largest group in sales volume -- accounting for 40 percent of the total. Fats and oils returned 15 percent.

PRODUCTION ADJUSTMENT COMMITTEES AGAIN

Secretary Anderson has asked that State Production Adjustment Committees be reconstituted this year as in war years.

Need is still felt for the research background and the recommendations on production goals such Committees have furnished. State USDA Councils are requested to review the reports of the Committees which are due in Washington by September 3 (See USDA Council Memo 5 dated May 31). BAE is being asked to assist the Committees in their work and in the preparation of a national summary of their reports needed for administrative use by September 20.

COUNTIES URGED TO
STEP UP LINE ORDERS
WITHIN NEXT FEW WEEKS

In order to meet a regional goal of placing 100 percent of the 1946 estimated line orders by June 30, a substantial amount of material should be ordered by county offices within the next few weeks. Through June 7,

only 72 percent had been forwarded to State offices or to Ithaca. County committees are urged to submit the remaining 28 percent as soon as possible as many suppliers have curtailed operations because of lack of sufficient orders.

The backlog of undelivered orders has been reduced gradually with 44 percent reported delivered on June 7 and a goal of 57 percent to be reached by the end of the month. Deliveries during the month of May increased about 15 percent and the trend continued during the first week of June.

The June 7 report by States follows.

State	Estimated Tonnage	Orders Rec'd From County Office	Percentage Ordered	Deliveries Made	Percentage Delivered
Me.	80,350	57,526	72%	39,124	49%
N.H.	38,700	34,200	88	22,280	58
Vt.	61,398	55,974	91	49,189	80
Mass.	74,165	49,885	67	36,200	49
R.I.	8,844	5,332	60	4,200	47
Conn.	57,164	44,423	78	28,949	50
N.Y.	729,621	470,088	64	283,727	39
N.J.	58,045	44,211	76	37,740	65
Penna.	725,363	550,418	76	300,839	41
Total	1,833,650	1,312,057	72	802,248	44

POTATO SHIPMENTS
TOP PREVIOUS YEAR

The U. S. Department of Agriculture reports that total shipments of potatoes from early producing States for the two-week period ended June 8, 1946, exceeded by more than 8,000 cars shipments during the same two-week period last year. Figures this year for the two-week period ended June 8 show 19,673 cars, as compared with 11,046 cars during the same period last year.

In view of the plentiful supply of potatoes now being shipped into the markets, and the prospect of peak shipment being reached within the next two weeks, Secretary of Agriculture Clinton P. Anderson urged all consumers to make the most effective use possible of this food.

"Potatoes are now abundant in our retail markets," Secretary Anderson said. "This, in view of the world food situation, is fortunate. American homemakers can make a direct contribution toward relieving the world famine situation by using more potatoes in place of the scarce cereals so badly needed for shipment abroad.

Food merchants can also help by providing adequate and effective distribution and by using the means at their disposal to encourage homemakers to buy and use more of these nutritive and abundant potatoes as a staple table food."

* * *

---New Jersey has added the harvesting of red clover, alsike or alfalfa seed practice to their 1946 Agricultural Conservation Program. Payment will be made at the rate of nine cents per lb. for red clover seed and seven cents per lb. for alsike and alfalfa seed provided such seed is sold to a dealer before January 1, 1947. No prior approval of the county committee is required.

UNRRA SENDS CONSERVATION SPECIALISTS TO GREECE

A four-man soil-conservation detail will be sent to Greece by UNRRA, to aid the government in improving war-ravaged agriculture. The group will stay six months while surveying the soil with the aim of increasing Greece's food production. They will also help the government to develop a public works program to use unemployed rural and urban workers in soil-conservation projects.

Frederic G. Renner, chief of the Range Division, Soil Conservation Service, will head the party. Others include Claude L. Fly, soils scientist; Grover Kinzy, agronomist; and Jeff Flanagan, irrigation engineer with UNRRA's regular mission to Greece.

FARM WORKER NUMBERS INCREASE

Farm labor June 1 increased 4 percent over a year ago -- 11,422,000 persons, including family and hired workers -- even though weather conditions were less favorable. By regions, family workers increased from 1 to 7 percent, but hired workers increased only 4 percent. First noted on March 1, the postwar shift to shorter working hours is continuing. Farm operators on June 1 averaged 12.2 hours work per day -- compared with 12.8 hours in June 1943 and 1944.

COMMERCIAL HATCHING OF CHICKS SMALLEST SINCE 1940

Commercial hatching of chicks in May was the smallest since 1940, the USDA reported June 17. The tight feed supply and higher feed prices evidently caused an abrupt closing of many hatcheries throughout the country during the month. The number of eggs in incubators on June 1 was estimated to be 70 percent less than the number in incubators June 1 last year and indicates one of the smallest June hatches in years. The number of chicks booked on June 1 for future delivery was 83 percent less than the number booked on June 1 last year.

The number of chicks hatched during May totaled 203,070,000 -- 35 percent less than hatched during May last year and 16 percent less than the 1940-41 May hatch. Production of chicks during the first 5 months of this year totaled 967,021,000 -- 11 percent less than the number produced during the first 5 months of last year.

Declines in chicks hatched ranged from 48 percent in the New England and South Central States to 25 percent in the South Atlantic States. Scarcity and higher cost of feed have about stopped hatchings for flock replacements. The number of chickens raised on farms this year will show a greater decrease than the 7 percent decrease in June holdings of young chickens on farms because of a much smaller hatch after June 1 this year compared with last. Young chickens holdings on June 1 were less than a year ago in all parts of the country. Decreases ranged from 16 percent in the North Atlantic to 1 percent in the West. Commercial broiler chick production is now running much below last year. The relationships between the prices of eggs and chickens and cost of feed on May 15 were considerably less favorable than they were a year ago.

SCHOOL LUNCH PROGRAM HERE TO STAY

President Truman assured the permanency of the school lunch program when he signed on June 4 the School-Lunch Act. Under this Act, Congress will determine each year the amount to appropriate to the Secretary of Agriculture for supplying agricultural commodities and other foods for the school-lunch program.

Some provisions of the Act are: Not less than 75% of the funds allowed for foods must be apportioned among the States. . . Ten million dollars of the funds appropriated to the Secretary each year may be used for non-food assistance. . . administrative expenses must not exceed 3½ percent. States are to match funds on the basis of \$1 for \$1 during the fiscal year 1947 through 1950, \$1 for \$1.50 from 1951 through 1955, and \$1 for \$3 thereafter.

Radio Transcription
A. W. Manchester, Director
Northeast Region, Field Service Branch
Production & Marketing Admin., USDA
June 20, 1946 - 6:15 a.m.
Station WBZ - Boston, Mass.

By the end of last week, over 600 carloads of Government controlled feed had been ordered into the grain famine areas in New England, Eastern New York and Northern New Jersey. One hundred and eighty-three cars of the total are wheat which has come into Government possession and is of too low grade for use as human food. Most of the rest consists of by-products from a part of two million bushels of Government-owned corn used for the manufacture of certain essential foods and industrial materials. Each bushel of corn so used produces around 20 pounds of hominy or gluten feed or gluten meal, all excellent feed ingredients.

An intensive search is underway for additional odd lots of feed to which the Government has access in one way or another, in the hope that the flow may be kept up for at least a few more weeks.

The feeds which have been discovered so far have been shared between the Pacific Northwest and the extreme Northeast where the feed crisis seems more critical than anywhere else in the country. Insistent demands are, however, arising from other parts of the country that they share in the distribution of any available feed.

It is recognized that the quantities available in this way are pitifully small in comparison with the need. Dependable reports are coming in constantly showing that in New England the liquidation, particularly of poultry flocks, is going on at a rate far in excess of anything known for protracted periods in earlier years.

For instance, a survey of commercial flocks in Maine showed that on June 1 the number of hens was down to half the number in the same flocks a year earlier. Massachusetts reports one-half its hens sold between January 1 and June 1, and Connecticut found 37 percent -- over one-third -- of all the hens sold in the month of May alone.

Many poultrymen and farm leaders take the position that the best that can be hoped for is to save enough young chickens to enable farmers to hold on and to serve as a foundation for rebuilding the industry another year if conditions then permit it.

Frankly, the outlook for the future grain supply is very difficult to estimate. There is a common belief that sales of grain through normal trade channels have dwindled partly because of the great uncertainties as to future prices. How far trade shortages stem from this cause can only be guessed. Unquestionably, behind the whole situation does lie a combination of short supplies of grain and very heavy feeding of grain in grain-producing areas. It does seem reasonable to believe, however, that people who own grain are likely to hold it so long as the whole price situation is as disturbed as it is now. The possibilities of large profit-taking simply by holding are too intriguing to be ignored. When grain owners or handlers become convinced that grain prices have risen about as much as they are likely to, it would seem reasonable to expect more rapid marketing

There is another price factor in the problem, however, which is difficult to estimate now but which may have a very large effect. If the price of meat goes up extensively and the price of grain remains about where it is, raising hogs will be much more attractive. So long as this situation prevails, corn growers will tend to raise more pigs and feed them to larger weights. They will keep their corn instead of selling it.

Clearly, the whole future, so far as the Eastern feeder is concerned, is very closely tied up with the question of what is finally done about prices. As this clears up, or works itself out, it will be possible to forecast with more confidence, but the best that one can say at present is that the Northeastern livestock industry -- particularly in those areas that are practically entirely dependent on shipped-in-grain -- is probably in graver peril than it has been at any time for many years.

I think I am safe in assuring continuing efforts by the Government to help out, but whether those efforts can go beyond measures to make a bad situation just a little less bad, is not certain now.

This livestock industry not only provides the means of livelihood for a lot of fine families who are an important asset to our communities, it provides an essential supply of critical foodstuffs to the Region. The disaster to it is a regional disaster, and in many ways, a national disaster. But to avert that disaster requires high grade statesmanship on the part of the people directly involved, as well as by those who represent them in Government.

This is an early one of those postwar problems -- typical of many that will take a heavy toll unless we can rise above the sectionalisms, partisanships, and narrow selfishnesses that have been all too characteristic of the past. As I have said before, just as we have greater opportunities for better things in the postwar world than we have ever had before, we have to be better people, if we hope to realize those opportunities, than we have ever been before.

Each one of us can draw a lesson. If we want to avoid the multiplication of disasters similar to this in New England, we shall each have to be a little more thoughtful about the social effects of the positions we take and the things we do. In reaching for what looks like a little advantage to us, we are apt in this complex world we live in, to set in motion a train of events whose consequences are very serious. A careful study of the New England feed shortage could, I believe, trace its roots back to a multitude of remote causes, in which each one of us has a share.

* * *

(Agriculture in Action -- Issued weekly and distributed in the Northeast to State PMA Committeemen, State Offices of PMA; Farmer Fieldmen, County Offices in Mass., Conn. Penna., N.J., and N.H.; County Committeemen in N.J., Penna., N.H., and R.I.)

JUL 3 1946

U. S. DEPARTMENT OF AGRICULTURE

June 26, 1946

United States Department of Agriculture
Production and Marketing Administration
Field Service Branch, Northeast Region
Washington 25, D. C.

AGRICULTURE IN ACTION

Dear Committeemen:

The information included in this letter is to assist you in the administration of Production and Marketing Administration programs and provide understanding of related actions.

A. W. Manchester

A. W. Manchester
Director, Northeast Region

**WHAT'S AHEAD IN
FOOD SUPPLIES**

Secretary of Agriculture Anderson has made a mid-June estimate of prospective supplies for major food commodities during the 12 months starting July 1.

The estimates, necessarily tentative for many foods, were made for the benefit of farmers, food distributors, and foreign countries in making their 1946-47 plans.

On the basis of these estimates, U. S. civilians may get slightly less meat, poultry, eggs, wheat products, dried fruits, and dry peas during the next 12 months; about the same quantities of fats and oils and dry beans; more canned fruits and vegetables and their juices.

**FOOD LEADERS CALL
FOR LONG-RANGE PLAN**

A long-range plan to distribute the world's food more efficiently was called for recently by Secretary of Agriculture Clinton Anderson and Director General Sir John Orr of the United Nations Food and Agriculture Organization.

"It will be a crime against humanity if we don't use surpluses systematically to relieve chronic malnutrition and build up reserves against famine," declared Sir John, when the two men were interviewed in a nation-wide broadcast.

"Unless we plan the world's food distribution better," said Secretary Anderson, "we may once again return to the chaos of the early 1930's. In those days we had to worry about surpluses. Prices collapsed. Farmers went broke. They burned surplus corn in this country just as they burned surplus coffee in Brazil. And yet all over the world there were hungry people who didn't have the dollars to buy food. It could happen again -- surpluses in some countries and hunger in others. . . Two-thirds of the world's people are chronically undernourished."

Sir John expressed the conviction that there's little hope of getting nations of the world to cooperate on anything if they won't cooperate on a world food plan.

Anderson emphasized that whether we again have ruinous surpluses in this country will depend upon two things: (1) America's ability to maintain full employment and good purchasing power, and (2) the ability of the nations to "bring food needs and food surpluses together on a world-wide basis."

Sir John said that the only way to solve the twin problems of famine and surplus is to hold over surpluses from one year to the next -- to "develop some sort of world 'food bank,' or an 'ever-normal granary' system as insurance against famine in any part of the world."

GOVERNMENT ACTIONS
FOR FAMINE RELIEF

Recent Government measures related to famine relief include: (1) Special mid-month crop estimates issued by the Department this summer to keep a close watch on America's growing grain. The first, June 20, indicated wheat prospects slightly higher than the June 1 report; the second, July 22, will give wheat prospects as of July 14; and the third, August 21, will show August 15 prospects. Regular monthly reports are issued on the 10th of each month showing crop estimates up until the first.

(2) An amendment to WFO-144, issued June 19, provides that all "excess" wheat which a merchandiser or country shipper has on hand as of the close of market each week shall be offered for sale or delivery to CCC before noon of the following Monday. (Wheat in excess applies to wheat in excess of the quantity needed by a merchandiser or country shipper to make delivery on export sales, or on domestic sales supported by contracts.)

The amendment also requires that no trucker merchant shall deliver set-aside wheat to a grain elevator for storage or for any other purpose unless, within 15 days of delivery, the wheat is sold to an elevator, merchandiser, miller or other processor. Those buyers, in turn, must set aside half of the wheat for delivery to the CCC in the form of wheat or flour as may be directed by CCC. Beginning in July, the order also increases the quantity of wheat that food manufacturers may use in the manufacture of edible products for domestic human consumption from 75 to 85 percent of the average monthly quantity the used in 1945.

(3) The Interstate Commerce Commission ordered railroads to give priority to orders for empty cars to country elevators for delivery of grain to terminal elevators.

HOG PRODUCTION A definite downward trend in hog production is reported by the U. S. Department of Agriculture. Combined spring and fall pig crops this year are expected to be about 81.5 million -- 6 percent below 1945 -- the smallest since 1940.

Fewer sows farrowed pigs this spring than last, but farmers saved a record number of pigs per litter. As a result, the spring crop of 52,324,000 pigs saved is slightly larger than last year, but almost one-third smaller than the record 1943 crop.

Hog production is expected to drop sharply with the fall pig crop. Breeding intentions as reported on June 1 indicate a decrease of 16 percent from a year ago in the number of sows to farrow this fall. This figure of 4,633,000 head is 39 percent below the 1943 record crop, and the smallest since 1938.

Hog production is expected to fall off most in the western half of the Nation.

NO NEW "TRIAL" INSURANCE
AT PRESENT, FCIC SAYS

No new commodities will be added to the trial insurance program in the immediate future, the Federal Crop Insurance Corporation has stated.

Preparatory work was done a year ago on insurance for potatoes, citrus fruits, and peanuts. However, insurance plans on the five commodities for which insurance is already in effect are still being modified, and it is considered best to concentrate efforts on developing and perfecting a sound program on these commodities.

USDA PURCHASES BARLEY FOR FEED-SHORT AREAS More than two million bushels of barley now in the hands of maltsters and grain manufacturers will be purchased and resold at ceiling prices for feed barley and allocated to feed-short areas, the Department of Agriculture has announced.

Part of the barley will be bought at feed barley prices, and the remainder at malting prices (15 cents a bushel above the feed barley ceiling). Funds of the Commodity Credit Corporation will be used to finance the program.

Through June 24, feed-short areas in the Northeast Region had been allocated 165 cars of barley. As of the same date, 925 cars of oats, corn, hominy, gluten feed, gluten meal, wheat not fit for human consumption, and growing mash were ordered for shipment into the Region as a result of the voluntary program to prevent liquidation of foundation livestock. This makes a total of 1090 cars since the first of June.

PROTEIN MEAL USED IN MIXED FEED TO BE REDUCED Protein meal use during any calendar quarter by manufacturers of mixed feed will be limited to 85 percent of the quantity used in the corresponding quarter of 1945 or 25 tons, whichever of the two figures is the larger.

Amendment 9 to WFO-9 on protein meal contains these changes and becomes effective July 1, 1946. Although reducing the total quantity of protein meal to be used, the amendment permits the manufacturer of mixed feed to use his protein meal quota in making either poultry feed or livestock feed in accordance with the requirements of his trade territory.

This amendment supersedes regulations in effect since January which restricted mixed feed manufacturers to the use of high protein meal in the manufacture of mixed feeds to the quantity used in the corresponding quarter of 1945. In May, protein meal in poultry feed was restricted to 85 percent of the quantity used in the corresponding month of 1945.

The amendment also provides that no person other than mixed feed manufacturers shall use protein meal in any calendar month in the manufacture of poultry feed in excess of 85 percent of the quantity used during a corresponding month of 1945.

1945 ACP PROGRESS REPORT FOR MAY The summary of State office reports of progress on the 1945 Agricultural Conservation Program and enrollments in the 1946 program are shown below for the Northeast:

	Report of Performance			Applic. for Payment			Farms Enrolled		
	Est. Part.	Farms Rep't'g Perf.	% Re- porting Perf.	Est. Total Appl.	Rec'd State Office	% Rec'd	1945	1946	%
State									
Me.	10,370	10,083	97.2	3,235	3,031	93.7	7,192	12,676	56.7
N.H.	5,608	5,600	99.9	917	853	93.0	6,684	5,834	114.6
Vt.	13,111	13,111	100.0	2,552	2,399	94.0	11,417	13,254	86.1
Mass.	10,079	10,079	100.0	4,141	4,017	97.0	9,459	10,431	90.7
Conn.	5,459	4,602	84.3	2,130	1,210	57.0	4,943	5,459	90.5
R.I.	964	942	97.7	300	281	94.0	893	904	92.6
N.Y.	72,767	72,767	100.0	23,551	17,464	74.1	77,908	77,219	100.9
N.J.	11,747	11,497	97.9	9,344	9,558	97.1	12,624	12,994	97.2
Penna.	99,165	99,165	100.0	31,664	31,664	88.5	90,505	104,003	87.0
Total	229,270	227,846	99.4	78,334	66,847	85.3	221,625	242,834	91.5

POULTRY CULLING UP --- BABY
CHICK HATCH DOWN DURING MAY

The rate of poultry flock culling and baby chick hatching during May indicates that the Nation's poultry producers are reducing the

size of flocks to be more in keeping with available feed supplies. Culling was carried on at a rate of 60 percent greater than the average culling rate for May in the past 5 years. About 28 million non-productive and low-producing birds were culled from U.S. poultry flocks during May.

To save feed and grain, the Government has urged poultry producers to cull from their flocks in May and June at least 55 million birds -- 15 million more than were culled during the same 2 months a year ago.

Culling was heaviest in the Northeastern and Pacific Coast States and lightest in the North Central States. In the Northeast, flocks on June 1 contained an average of about 64 birds out of each 100 on January 1. On June 1 last year, Northeast flocks averaged 66 birds while the average for the same date in the past 5 years was 73 birds for each 100 on January 1.

While culling was at a high rate, the commercial chick hatch in May was the smallest since 1940. The following tabulation shows chicks hatched by commercial hatcheries during the month, etc., in units of 1,000.

State & Div.	Chicks Hatched During May			Chicks Hatched Jan-May, Incl.	
	Average 1940-44	1945 Revised	1946 Preliminary	1945 Revised	1946 Preliminary
Maine	1,136	1,700	952	5,912	5,057
N.H.	1,929	3,528	1,940	14,258	12,784
Vt.	232	257	190	906	1,029
Mass.	2,745	4,464	2,232	20,672	16,759
R.I.	359	600	300	2,400	1,658
Conn.	2,698	4,181	2,050	18,039	14,787
New Eng.	9,100	14,730	7,664	62,247	52,074
N.Y.	4,143	5,821	3,667	22,403	18,424
N.J.	5,009	5,995	3,434	22,973	19,398
Penna.	9,377	10,583	8,250	50,561	48,330
Mid. Atl.	18,529	22,399	15,351	95,937	86,152
U. S. Tot.	242,512	310,119	203,070	1,084,709	967,021

Geographic Division	Eggs in Incubators 6/1/46		Chicks Booked 6/1		Sexing
	% Change from June 1, 1945		% Change from June 1, 1945		% Change from May, 1945
New England	- 83		- 94		- 26
Middle Atlantic	- 56		- 77		- 19
East North Central	- 66		- 77		- 28
West North Central	- 87		- 80		- 12
South Atlantic	- 64		- 84		+ 33
South Central	- 78		- 80		- 38
Mountain	- 77		- 82		- 30
Pacific	- 63		- 77		- 38
United States	- 73		- 83		- 24

The Massachusetts 1946 Agricultural Conservation Program has been amended by adding a payment of \$10.00 per acre for the practice of clearing land for pasture by brushing and clearing for seeding or reseeding to an approved pasture mixture when the cost per acre as estimated by the county committee is \$20.00 or more. This practice must be completed in accordance with the recommendations of the Soil Conservation Service or the Agricultural Extension Service.

FARM - RETAIL PRICE SPREADS

Fifty-four cents was the farmer's share of the food dollar received during April, a drop of one cent below the record-matching 55-cent level of the 5 preceding months. The one cent drop was due to an increase in retail prices, at the same time that prices received by farmers went down.

The 54-cent level, however, is much higher than for previous years. The farmer's share of the food dollar averaged 33 cents for the year 1933, and 40 cents during 1935-39. Since 1940, the farmer's share steadily rose until reaching the 55-cent peak.

While retail prices of the consumer market basket -- a year's supply of food for three people -- went up \$20 between April 1945 and this April, farmers' payments for the same kinds of food increased \$6.00.

Retail prices for food produced on the farm were at the highest level in April since the boom days of 1920, except for a short wartime period in 1943. For example, prices to consumers for fresh vegetables went up 4 percent from March to April, while prices received by farmers declined 11 percent.

Retail cost of the market basket increased about $1\frac{1}{2}$ percent from March through April, or from an annual level of \$466 to \$473.

MILDRED AVERY COMPLETES TEN YEARS OF SERVICE

In recognition of her completion of ten years of service for the Wayne County, Pennsylvania, Agricultural Conservation Association, Miss Mildred L. Avery, Secretary-treasurer, received a Parker 51 fountain pen. The gift was presented by the county committee of which William B. O'Neil is chairman.

Miss Avery is in charge of the office work and capably looks after many details involved in an Agricultural Conservation program participation of about 2000 farms, including some 1800 dairy production payments, according to Howard Cummings, farmer fieldman.

OPA ACTIONS

Consumer prices for canned vegetables of the 1946 pack will generally remain unchanged except where approved industry wage increases have been granted. Producers' ceilings will apply to those principal canned vegetables of the 1946 pack which remain under price control -- corn, peas, lima beans, asparagus, tomatoes, black eye peas, mushrooms, and tomato products.

Prices on oat milling by-products have been established at an increase of about \$6 per ton over March 1942 freeze prices. The increase applies on ground or unground by-products of the milling of oats which are used as feed ingredients.

Grower prices for deciduous fruits for processing (except for drying) have been announced jointly by OPA and USDA. Prices will be the same as last year's except in the case of red sour cherries, plums, and apples. Red sour cherries will be $8\frac{1}{2}$ cents per pound for all States. Prices for plums grown in California, Oregon, Washington, Idaho, and Utah are placed at \$62 per ton. Prices for apples for processing will be announced later.

* * *

---UNRRA reports that war inflation has depreciated Italian currency so much that sugar costs 171 times its prewar price; butter, 75 times; bacon, 35 times; hard cheese, 45 times; and bread, beyond the 7-ounce daily ration, 60 times. Children's shoes are now priced 30 times higher than before the war and men's work shoes have increased to 57 times.

WOOL PURCHASE PROGRAM Since August 29, 1945, there have been no Government regulations to prevent wool growers from marketing their product through usual trade channels. War Food Order 50, which restricted the sale of most wool to CCC, was terminated on that date. Consequently, growers are able to market their wool without restriction.

However, the wool purchase program of the Commodity Credit Corporation is being continued to help maintain a wool produce price at about the same level that has been maintained since the program began in April 1943. The program is designed to return to growers a price in line with OPA ceiling values, less specified transportation and marketing costs. Since the program went into effect, the grower price has averaged about 41.2 cents per pound.

When wool is sold to the CCC definite procedures under the purchase program apply to such sales. Growers who have lots of wool of more than 3,000 pounds must sell it to the CCC on a consignment basis. The wool is consigned through handlers acting as agents of the CCC or through handlers acting as agents of the CCC or through secondary handlers, and payment to growers is later made by the agents of the CCC.

Producers of small lots of wool have a choice between two general methods of marketing wool. Growers with lots of less than 3,000 pounds may: (1) Dispose of their wool either by selling or consigning it directly to a primary handler (a dealer or association who has a contract to purchase wool for the account of the CCC). (2) Sell or consign their wool to a secondary handler (a local dealer or country buyer who may, without a contract with CCC, purchase wool in lots of no more than 3,000 pounds for resale to the CCC, or who may receive wool in any quantity on consignment from growers for sale to the CCC).

1945 ACP PAYMENTS Seventy-nine percent of the total estimated 1945 Agricultural Conservation Program payments were certified as follows in the Northeast States through June 14: Maine, \$268,239 - 85.1%; New Hampshire, \$39,857 - 72.4%; Vermont, \$164,441 - 75.2%; Massachusetts, \$245,925 - 78.9%; Rhode Island, \$11,643 - 74.1%; Connecticut, \$86,101 - 47.1%; New York - \$1,415,392 - 73.2%; New Jersey - \$830,343 - 100%; Pennsylvania, \$1,494,087 - 78.4%; total, \$4,556,527 - 79.4%.

FITZGERALD SECRETARY-GENERAL OF INTERNATIONAL FOOD COUNCIL Dr. D. A. FitzGerald, who has been the USDA Director of Requirements and Allocations, and who has been with the Department since 1935, has been named secretary-general of the International Emergency Food Council. Dr. FitzGerald began his career in agriculture on a Canadian wheat farm near Grenfell in the Province of Saskatchewan where he was born. He was educated at the University of Saskatchewan at Saskatoon, Sask., Iowa State College at Ames, Iowa, and Harvard University where he received the degrees of bachelor of science, master of arts, and doctor of philosophy.

He came to the USDA from Brookings Institution of Washington, D.C. where he was engaged in research in agricultural economics. His activities in USDA ranged from livestock planning to the international distribution of food to the famine countries of the world. He gained firsthand knowledge of the hunger that overshadows the homes of Europe and Asia when he accompanied former President Hoover on his world food missions earlier this year. FitzGerald was the only government member of the Hoover party.

Radio Transcription
A. W. Manchester, Director
Northeast Region, Field Service Branch
Production & Marketing Administration, USDA
June 27, 1946 - 6:15 a.m.
Station WBZ - Boston, Mass.

All this summer, crop conditions will be watched with intense interest. Every spreading drought spot on the map of the country, every flooded out area of cropland, will be a cause for deep concern. Every nice rain and spell of fine growing weather will be a cause for rejoicing.

For, as seldom in history, we have a combination of exhausted reserves of food and feed and insatiable demand.

As the crops are harvested -- wheat, oats, and barley, in the South and the mid-parts of the country -- the mills and feeders are clamoring for them. Trucks scour the country for grain, as fast as it is ready.

The situation not only emphasizes the need for big crops this year; it calls for sober thought on how to level off our national demand for feed grains at safe levels. It is obviously unsafe to count on keeping on feeding next year at the rate that grain was fed last year. Our numbers of livestock were not only high, we fed the livestock we had at very heavy rates.

That is, the average feeder of the country fed very heavily. As a matter of fact, we in the Northeast weren't far behind the rest of the country in feeding heavily.

We changed under the force of necessity but we didn't do it until well into the spring.

Now, it will make a lot more sense if we can steady down at a number of livestock and a rate of feeding that we can see through until 1947 crops are harvested.

There is quite a little evidence that the farmers of the country, as well as those of the Northeast, are moving in that direction.

The report on the pig crop that was released on June 21 estimated that the number of sows bred for fall litters has been reduced nationally 16 percent from the year before. There are almost as many spring pigs as we had a year ago, but apparently the number of fall pigs will be well down.

Pigs eat up a great deal more of our grain than do any other class of livestock, so that changes in pig numbers are very important.

Almost equally significant is the size to which the pigs are raised. At times last season the average size of the pigs marketed was 50 pounds above the average of previous years. That extra size makes more pork but it takes a lot of grain. It was estimated that the larger feeding of pigs last year used up 200 million bushels of corn.

Radio Transcription (continued).

We are making the adjustment in number of pigs, but what will be done about size will probably be a matter of prices next winter and spring -- the price of pork as compared to the price of corn.

A similar downward adjustment has started in poultry production. Sixty percent more hens were culled from the flocks of the country in May than the average of the last five years. Unofficial reports are that the heavy rate of culling has continued through June. The Northeast culled heavier than any other part of the country, and New England heavier than the rest of the Northeast.

The late hatches of chicks were also at low levels, indicating a considerable cut in the number of pullets next winter.

On the crop side, the season so far is as a whole a promising one. It has been pretty generally a rather wet, cool spring, good for the small grain crops and hay and pasture. The official estimate of the wheat crop, based on reports sent in the middle of June, was raised 8 million bushels over that 15 days earlier.

The weather has also been favorable for oats and barley.

It's too early to say much about corn, except that the crop as a whole is off to a better start than it was a year ago. To be sure, last year's start was pretty bad. But this is enough better to permit optimism for the present, although the next two months will really tell the story.

Right now the combination of good crop prospects and moderate reductions in pigs and poultry give a reasonable prospect of enough grain to see us through the short period in the spring and summer of 1947 -- if we exercise as much restraint in feeding as we do in regard to livestock numbers.

With shortages of meat in the markets, both now and probably in the future, these cuts in meat production are too bad. But they are a lot better than the panicky liquidation of half-grown, half-fed stock or of hens at the peak of their egg-laying period, that would be forced if the adjustments were not made.

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